

SEN. GEORGE RUNNER (RET.)

MEMBER STATE BOARD OF EQUALIZATION CALIFORNIA'S TAX BOARD

March 22, 2013

The Honorable Roger Dickinson California State Assembly State Capitol Sacramento, CA 95814

RE: OPPOSE AB 760 (Dickinson)

Dear Assembly Member Dickinson,

I must respectfully oppose your Assembly Bill 760. Taxes should be applied to specific merchandise items only when there is clear causation between the product and the public problem the revenue collected would address. The purchase of ammunition by law abiding citizens does not cause mental health problems.

In addition, there is evidence that taxes of this nature do not produce the revenue expected. As prices of ammunition increase by \$5 per box of 100 bullets, we can expect that Californians will turn to out of state dealers, or worse, the underground economy. That is exactly what has happened with cigarettes — a recent study by the Mackinac Center for Public Policy found that one third of the cigarettes consumed in California were purchased from someone other than a licensed California dealer. The state won't collect the revenues anticipated, in-state business owners will suffer and consumers will be burdened with yet another inequitable tax.

Mental health is a serious problem. All Californians, not just gun owners, should be a part of the solution.

Sincerely,

GEORGE RUNNER Second District